

STATEMENT OF REVENUE AND EXPENSES

	Current Year-to-Date		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	....XXX.....	....917,090	....3,661,813
2. Net premium income.....	....XXX.....	....206,327,536	....469,433,363
3. Change in unearned premium reserves and reserve for rate credits.....	....XXX.....		
4. Fee-for-service (net of \$.....0 medical expenses).....	....XXX.....		
5. Risk revenue.....	....XXX.....		
6. Aggregate write-ins for other health care related revenues.....	....XXX.....	....0	....0
7. Total revenues (Lines 2 to 6).....	....XXX.....	....206,327,536	....469,433,363
Medical and Hospital:			
8. Hospital/medical benefits.....		....142,382,741	....522,365,305
9. Other professional services.....		....5,157,602	....11,189,235
10. Outside referrals.....			
11. Emergency room and out-of-area.....			
12. Prescription Drugs.....		....33,976,981	....120,996,051
13. Aggregate write-ins for other medical and hospital.....	....0	....0	....0
14. Incentive pool and withhold adjustments.....			
15. Subtotal (Lines 8 to 14).....	....0	....181,517,324	....654,550,591
Less:			
16. Net reinsurance recoveries.....			....254,429,169
17. Total medical and hospital (Lines 15 minus 16).....	....0	....181,517,324	....400,121,422
18. Claims adjustment expenses.....		....8,672,514	....21,864,466
19. General administrative expenses.....		....11,329,740	....28,563,659
20. Increase in reserves for accident and health contracts.....		....(2,024,197)	....(6,400,000)
21. Total underwriting deductions (Lines 17 through 20).....	....0	....199,495,381	....444,149,547
22. Net underwriting gain or (loss) (Lines 7 minus 21).....	....XXX.....	....6,832,155	....25,283,816
23. Net investment income earned.....		....1,365,386	....3,747,467
24. Net realized capital gains or (losses).....		....389,512	....1,054,787
25. Net investment gains or (losses) (Lines 23 plus 24).....	....0	....1,754,898	....4,802,254
26. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....			
27. Aggregate write-ins for other income or expenses.....	....0	....278,095	....234,871
28. Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27).....	....0	....8,865,148	....30,320,941
29. Federal and foreign income taxes incurred.....	....XXX.....	....1,799,600	....5,350,317
30. Net income (loss) (Lines 28 minus 29).....	....XXX.....	....7,065,548	....24,970,624

DETAILS OF WRITE-INS

0601.....	....XXX.....		
0602.....	....XXX.....		
0603.....	....XXX.....		
0698. Summary of remaining write-ins for Line 6 from overflow page.....	....XXX.....	....0	....0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	....XXX.....	....0	....0
1301.....			
1302.....			
1303.....			
1398. Summary of remaining write-ins for Line 13 from overflow page.....	....0	....0	....0
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above).....	....0	....0	....0
2701. Miscellaneous Income / (Expense).....		....278,095	....316,880
2702. Correct Prior Year Equity Change in Machigonne, Inc.....			....(82,009)
2703.....			
2798. Summary of remaining write-ins for Line 27 from overflow page.....	....0	....0	....0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	....0	....278,095	....234,871

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year-to-Date	2 Prior Year
31. Capital and surplus prior reporting period.....	53,353,704	25,427,519
GAINS AND LOSSES TO CAPITAL & SURPLUS		
32. Net income or (loss) from Line 30.....	7,065,548	24,970,624
33. Change in valuation basis of aggregate policy and claim reserves.....		
34. Net unrealized capital gains and losses.....	(39,767)	(4,476,590)
35. Change in net unrealized foreign exchange capital gain or (loss).....		
36. Change in net deferred income tax.....	(4,278,293)	(6,122,960)
37. Change in nonadmitted assets.....	(4,164,250)	12,791,213
38. Change in unauthorized reinsurance.....		
39. Change in treasury stock.....		
40. Change in surplus notes.....		
41. Cumulative effect of changes in accounting principles.....		1,011,718
42. Capital changes:		
42.1 Paid in.....		
42.2 Transferred from surplus (Stock Dividend).....		
42.3 Transferred to surplus.....		
43. Surplus adjustments:		
43.1 Paid in.....		
43.2 Transferred to capital (Stock Dividend).....		
43.3 Transferred from capital.....		
44. Dividends to stockholders.....		
45. Aggregate write-ins for gains or (losses) in surplus.....	0	(247,820)
46. Net change in capital and surplus (Lines 32 to 45).....	(1,416,762)	27,926,185
47. Capital and surplus end of reporting period (Line 31 plus 46).....	51,936,942	53,353,704

DETAILS OF WRITE-INS

4501. Paid in Capital.....		
4502. Common Stock.....		
4503. Change in Non-recognized Liabilities.....		(247,820)
4598. Summary of remaining write-ins for Line 45 from overflow page.....	0	0
4599. Totals (Lines 4501 thru 4503 plus 4598) (Line 45 above).....	0	(247,820)